

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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KAIROS CREDIT STRATEGIES OPERATING
PARTNERSHIP, LP,

Plaintiff,

23-cv-2960 (AS)

- against -

JUDGMENT

THE FRIARS NATIONAL ASSOCIATION, INC.,
et al.,

Defendants.
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WHEREAS:

A. Plaintiff, Kairos Credit Strategies Operating Partnership, L.P. (“Kairos”), filed a motion for summary judgment on October 18, 2023 (the “Motion”) by which it sought, among other relief, judgment on the first and second counts of the complaint, that is, to foreclose on Kairos’s mortgage on the real property and on its security interest in the personal property of defendant The Friars National Association, Inc. (“Friars Club”) (Dkt. 88-93);

B. By Memorandum Opinion and Order filed on December 12, 2023 (Dkt. 119) (the “Order”), the Court: (i) granted the Motion as to Kairos’s claims against the Friars Club on the first and second counts of the complaint; (ii) denied the Motion without prejudice in all other respects; (iii) directed Kairos to meet and confer with all other interested parties in the action and file a proposed judgment to resolve this case by December 22, 2023; (iv) stated that Kairos may file a letter of no more than 5 single-spaced pages in support of the proposed judgment; (v) directed that Kairos serve the proposed judgment and supporting letter on all defaulting defendants by December 29, 2023; (vi) stated that any party objecting to the proposed judgment may submit a letter of no more than 5 single-spaced pages explaining their reasons for objecting by January 8, 2024; and (vii) stated that Kairos may file a reply by January 12, 2024;

C. The Court having received and reviewed the proposed judgment, Kairos's supporting letter, the letters (if any) filed by any persons objecting to the proposed judgment, Kairos's reply, and all other relevant papers filed in the case, it is hereby

ORDERED, ADJUDGED AND DECREED as follows:

1. Kairos is awarded summary judgment, pursuant to Fed. R. Civ. P. 56, against defendants Hotel Restaurant & Club Employees and Bartenders Union Local 6 ("Union") and Club Employees Pension Fund ("Fund") on the first and second counts of the complaint; *provided* that: (a) the Union and Fund shall retain their right to assert their proper priority to recover amounts due to them on their judgment lien against the Friars Club from the surplus proceeds, if any, from a sale of the Friars Club's property after payment of all amounts the Court shall determine are properly payable to Kairos, (b) the Union shall retain its rights, if any, under applicable law and the Collective Bargaining Agreement between the Union and the Friars Club, and (c) the Fund shall retain its rights against the Friars Club, if any, with respect to the Multiemployer Pension Plan Amendments Act of 1980 ("MPPAA") from a sale of the Friars Club property after payment of all amounts the Court shall determine are properly payable to Kairos;

2. Judgment of default is hereby granted, pursuant to Fed. R. Civ. P. 55(b)(2), against each of defendant City of New York Department of Environmental Control and defendant New York City Finance Administration Bureau of Compliance and Collection;


3. The final judgment of foreclosure and sale shall provide that such sale will be subject to the prior liens (if any) of the New York State Department of Labor and the New York State Department of Tax;

3. This action is referred to Magistrate Judge Jennifer Willis; Kairos shall promptly submit to the Magistrate Judge a detailed calculation of all amounts due under the Loan Documents (as defined in the Motion); and upon such further submissions by the parties and proceedings as the Magistrate Judge shall deem appropriate, the Magistrate Judge shall submit to the Court and file a report and recommendation detailing the amounts due to Kairos under the Loan Documents (the “Magistrate’s Report”); and

4. No later than 21 days after the Magistrate Judge has submitted the Magistrate’s Report, Kairos shall file a motion with the Court seeking approval or modification of the Magistrate’s Report and entry of a final judgment of foreclosure and sale of the Friar Club’s property.

SO ORDERED.

Dated: January 31, 2024
New York, New York


ARUN SUBRAMANIAN
United States District Judge